



## **PRESS RELEASE**

June 22, 2004

The Treasury Office of Inspector General (OIG) in conjunction with the Federal Deposit Insurance Corporation (FDIC) Office of Inspector General (OIG), conducted an investigation which led to a 42-count indictment for conspiracy, wire fraud, securities fraud, false filings with the Securities and Exchange Commission (“SEC”), false statements to accountants, obstruction of examination of a financial institution, and making false statements to the Office of the Comptroller of the Currency (“OCC”) against three former senior executive officers of Hamilton Bancorp and Hamilton Bank. The named defendants are Eduardo A. Masferrer, chairman of the board and chief executive officer; Juan Carlos Bernace, president and director; and John M.R. Jacobs, senior vice president and chief financial officer. Masferrer also was charged with insider trading. The Indictment alleges that in 1998 and 1999, Masferrer, Bernace, and Jacobs fraudulently inflated the reported results of operations and financial condition of Hamilton Bancorp and defrauded the investing public and the bank and securities regulators. The case is being prosecuted by the United States Attorney Marcos Daniel Jimenez, Southern District of Florida. If convicted of wire fraud, the defendants face a statutory maximum term of imprisonment of thirty (30) years and a fine of up to \$1 million for each wire fraud count. If convicted of securities fraud, the defendants face a statutory maximum term of ten (10) years’ imprisonment and a fine of \$1 million for each such count. If convicted of conspiracy, obstruction of examination of a financial institution, or making a false statement, the defendants face a statutory maximum term of five (5) years’ imprisonment and a fine of up to \$250,000 for each such count. For more details, please see the [Department of Justice Southern District of Florida Press Release](#).